

Department of Finance		Fund: 0678
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Prison Industries Revolving Fund		
<u>Legal Citation/Authority</u> Chapter 1549, Statutes of 1982 (SB 1574) Section 28 Penal Code section 2806		
<u>Fund Classification</u> <u>GAAP Basis</u> Proprietary/Internal Service Funds	<u>Fund Classification</u> <u>Legal Basis</u> Nongovernmental/Working Capital and Revolving Fund	
<u>Purpose</u> The balance of the fund set by the legislation is \$730,000. Money in the fund is used to meet the expenses necessary to purchase materials and equipment, salaries, construction and the cost of administering the prison industries program. Receipts from the sales of products and services in the prisons and institutions are deposited in the fund.		
<u>Administering Agency/Organization Code</u> Prison Industries Authority/Org 5420		
<u>Major Revenue Source</u> Receipts from sales of products and services from prisons and institutions.		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code section 16346, in absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment, shall be transferred to the General Fund.		
<u>Appropriation Authority</u> Pursuant to Penal Code section 2806, funds deposited in the revolving fund are not subject to annual appropriation by the Legislature and may be used without a time limit by the authority.		
<u>State Appropriations Limit</u> Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source if derived from a Working Capital and Revolving Fund.		
<u>Comments/Historical Information</u> Chapter 1549, Statutes of 1982 (SB 1574) created this fund, abolished the Correctional Industries Revolving Fund and transferred the balance to the Prison Industries Revolving Fund, and added Penal Code sections 2800-2813. Chapter 958, Statutes of 1983 (SB 422) created the Inmate and Ward Construction Revolving Account (fund 0682) within the Prison Industries Revolving Fund. Chapter 538, Statutes of 2006 (SB 1852) Section 510 continued the existence of the Prison Industries Authority within the Department of Corrections pursuant to Penal Code section 2800. While the Prison		

Industry Authority is considered part of the department organizationally, the department does not account for fund activity. Org 5420 Prison Industries Authority prepares financial statements for this fund.

History of Administering Agency/Org for this fund:

1982-2005 Prison Industries Authority/Org 5420

2005-2013 Department of Correction and Rehabilitation/Org 5225 (prior to 2005, org number was 5240 – Department of Corrections)

September 2013 revision changed Administering Agency/Org from Department of Corrections and Rehabilitation/Org 5225 to Prison Industries Authority/Org 5420.